

### Family Independence Agency

1. Do you plan on conducting an overall structural reassessment of FIA as an organization? If so, how will you go about making this reassessment?

2. The Child Support Enforcement System (CSES) is now in place in all Michigan counties. However, there are still many problems that are being reported by county Friends of the Court. What is FIA doing, in conjunction with the Department of Information Technology, to correct these problems?

3. Over the past decade, the Engler Administration was active with assisting the federal government to formulate new regulations or policy changes. Former Directors Gerald Miller, Marva Hammons and Doug Howard were instrumental in discussions in Washington, D.C.

Will you take an active role in the development of new policy or regulatory changes in Washington, D.C.? If so, what area of expertise could you provide to Congress?

4. In light of the fiscal challenges on the state level, federal funding is critical to the survival of many programs in the Family Independence Agency budget. Over the past year, Congress has discussed the reauthorization of Temporary Assistance for Needy Families (TANF) and important related programs.

As the Director of the Family Independence Agency, how would you ensure that TANF and related programs continue to be funded on the federal level? How would you ensure that federal funding continues in a manner most favorable to Michigan?

5. Over the past year, a great deal of discussion has focused on the state's spending of TANF dollars in the Family Independence Agency budget. Budget officials have alluded to the fact that our TANF spending is imbalanced.

Do you agree with this assessment? If so, how would you resolve the problem as the new Director of the department?

6. Approximately two years ago, the law was changed to require that each adult in the Work First program has to engage in employment, Work First activities, education or training, community service activities, or self-improvement activities as determined by the Family Independence Agency, up to 40 hours a week.

Would you lobby to change the work requirements as defined by law? If so, how?

7. Since 1995, the former Department of Career Development and the Family Independence Agency have helped more than 380,000 public assistance clients obtain employment. Under welfare reform, each Family Independence Program recipient, unless exempt by law, is required

to participate and meet the requirements of the Michigan Works! Agency employment and training programs.

Do you agree with the work requirements as outlined in the Family Independence Agency policy manual by the former administration? If not, what modifications to the policy would you support?

8. One of the keys for moving recipients from public assistance into employment is to identify their barriers. Unfortunately, a major barrier to gainful employment is substance abuse. In 1999, the law was changed to permit the FIA to require drug testing as a condition for FIA assistance.

Shortly after enactment, the constitutionality of this change was challenged and in 2000 a preliminary injunction was issued halting the initial pilot. Last month a settlement was reached in this case that would only allow FIA to conduct a pilot project to test welfare recipients for substance abuse under very limited circumstances.

How and when are you going to implement this project? Would you support implementing this program on a statewide basis? If not, why not?

9. Last year, the Family Independence Agency discussed with the Legislature different food assistance program payment accuracy activities to achieve improved performance regarding food assistance program error rate.

Will you continue the initiatives developed by your predecessor to reduce the error rate? If so, which aspects? If not, why?

What programs would you develop to improve the quality control of the food assistance program in order to reduce the error rate?

10. In 1994, the federal government amended the Social Security Act (SSA) which authorized the U.S. Department of Health and Human Services to review state Child and Family Service programs to ensure conformance with the requirements in Title IV-B and Title IV-E of the SSA.

What steps would you take to ensure penalties are not levied against Michigan during the continued Title IV-E Foster Care Eligibility Reviews scheduled for Fiscal Year 2004?

Will you continue the changes initiated by your predecessor to rectify the problems highlighted by the federal government in 2003? If not, why?

11. At this time, the federal government is conducting Child and Family Service reviews in Michigan which are designed to support a stronger federal-state partnership in improving the outcomes of services to children and families.

What steps would you take to ensure penalties are not levied against Michigan during the continued Child and Family Service reviews?

Will you continue the changes initiated by your predecessor to rectify the problems highlighted by the federal government in 2003? If not, why?

12. Over the past several months, President Bush has worked with various interest groups to encourage marriage and promote the well-being of children. The President has proposed a healthy marriage initiative to help couples develop the skills and knowledge to form and sustain healthy marriages. The proposal also includes funding of \$1.5 billion.

Research has shown that, on average, children reared in households headed by married parents fare better than children who grow up in other family structures. Through education and counseling programs, faith-based, community, and government organizations promote healthy marriages and a better quality of life for children.

By supporting responsible child-rearing and strong families, the federal government is seeking to ensure that every child can grow up in a safe and loving home.

Would you support a similar initiative in the State of Michigan? If the proposal is adopted at the federal level, what will you do to ensure that Michigan gets its share of the \$1.5 billion?

13. Faith based organizations have tirelessly served communities across the state. Many of the services provided by faith based organizations, on behalf of state and local governments, have enabled public funds to be stretched even further to fulfill a common mission.

Would you support the creation of an Office of Faith Based Initiative in the state of Michigan? If not, why?

Although the government cannot be replaced by faith organizations, would you encourage stronger partnerships with faith based and other charitable service organizations?

## Family Independence Agency

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1. **Do you plan on conducting an overall structural reassessment of FIA as an organization? If so, how will you go about making this reassessment?**

Yes, I have already been intensively engaged in a comprehensive assessment of the FIA, including reviewing the structure, process, outcomes, tools and technology. I am engaging in this process by assessing data from multiple sources including:

- interviews with several former Directors of the department;
- meetings with current and former staff at the central office and in the field;
- discussions with members of the legislature;
- discussions with the press who cover FIA issues;
- meetings with numerous stakeholders including: private agencies, members of the court, the prosecutor's offices, community members, clients and other interest groups.

I have also been reviewing volumes of information on the content, outcomes, financial and other performance related to the programs and services offered by the FIA.

2. **The Child Support Enforcement System (CSES) is now in place in all Michigan counties. However, there are still many problems that are being reported by county Friends of the Court.**

**What is FIA doing, in conjunction with the Department of Information Technology, to correct these problems?**

Michigan's statewide child support system was certified as meeting federal requirements last fall. That was a major accomplishment, and while it did stop the federal penalties Michigan had been paying, much work remains to be done. As noted, however, the system and the process it supports continue to need improvement. The FIA is committed to making necessary changes.

Over the past year, the FIA established a program leadership group comprised of all partners who use the system, Friend of the Court, Prosecuting Attorneys, State Court Administrative Office, judges, child support staff and the Department of Information Technology. This group is the decision making body for the child support program. It takes input from users, sets priorities and determines which changes will be made first and which will have to wait. Leadership in the FIA also established Work Improvement Teams to identify needed program and process improvements. Again, all partners participate at this level and make recommendations to the Program Leadership Group for implementation.

In addition, FIA implemented a dedicated web site for all child support workers, where up to date information on the system can be found and where issues can be

discussed on line in real time. The FIA continues to provide both basic and advanced training, and has developed a cadre of talented customer service representatives for the counties who can answer questions quickly, or research the questions for the county.

Based on data from other states, it is not surprising to see performance issues in the first year of operation of a new system. Once users adapt to the system, and improvements are made, collection and enforcement become substantially better. Preliminary data shows that even with the difficulty this first year, an additional \$50 million is likely to be collected this current year.

3. **Over the past decade, the Engler Administration was active with assisting the federal government to formulate new regulations or policy changes. Former Directors Gerald Miller, Marva Hammons and Doug Howard were instrumental in discussions in Washington, D.C.**

**Will you take an active role in the development of new policy or regulatory changes in Washington, D.C.? If so, what area of expertise could you provide to Congress?**

In the past, Michigan has been an influential voice in the American Public Human Services Association, the Child Welfare League of America, the National Governor's Association and the National Council of State Legislators. I intend to continue those efforts as I look for ways to improve and strengthen Michigan's programs. As Michigan continues its financial struggles, we are more and more dependent on funding from outside sources. The federal government is the primary fund source of FIA programs and services.

I am very concerned that our voice be heard in Washington when reauthorization of TANF finally occurs. I believe that we must do the same for child welfare, disability issues, food stamps, and certainly Medicaid. We need to be certain that we are maximizing all the federal resources available to our state, and to make sure that those funds come with the flexibility states' need to structure and deliver services the way their customers need them. We also need to work more closely with federal agencies whose regulations we must follow to be certain they understand the impact of those regulations on the population they cover and on the agency who must deliver the services. Streamlining Michigan's policies will do us little good, if we cannot get relief from onerous federal oversight and regulation.

In addition, I plan to work closely with all legislators, including the Michigan Congressional delegation, to make sure they fully understand and support issues that will positively affect the lives of Michigan's children, families and adults that my agency serves. I intend to bring a focus on prevention to my work on federal policy. In addition, I will be a tireless advocate for regulatory simplification and standardization. I believe my corporate background will be of enormous help in this regard.

4. **In light of the fiscal challenges on the state level, federal funding is critical to the survival of many programs in the Family Independence Agency budget. Over the past year, Congress has discussed the reauthorization of Temporary Assistance for Needy Families (TANF) and important related programs.**

**As the director of the Family Independence Agency, how would you ensure that TANF and related programs continue to be funded on the federal level? How would you ensure that federal funding continues in a manner most favorable to Michigan?**

I could not agree more. In fact, one of the questions I asked my agency is how well we have briefed state and federal legislators on the impact of the TANF reauthorization proposal. I will certainly advocate for changes that will benefit and safeguard Michigan funding through the American Public Human Services Association and the National Governors' Association. But I also believe it is critical that our elected officials understand the full implications of issues pending before them, and that we provide them with the tools to advocate for what our state needs as well as what it cannot afford to have imposed.

I will ask my Federal Liaison to work closely and quickly with the Governor's Washington D.C. office to make sure that Michigan's serious concerns about the elimination of the caseload reduction credits, coupled with the climbing work participation rates, are brought to the attention of our Congressional delegation. They have a vested interest in helping assure that Michigan will not be further penalized by federal restrictions that fly in the face of the flexibility afforded states in the original TANF welfare reform bills. I understand that action on the bill could be completed as early as February or March, but is expected no later than its expiration on March 31, 2004.

5. **Over the past year, a great deal of discussion has focused on the state's spending of TANF dollars in the Family Independence Agency budget. Budget officials have alluded to the fact that our TANF spending is imbalanced.**

**Do you agree with this assessment? If so, how would you resolve the problem as the new director of the agency?**

No, I do not believe there has been an imbalance in the technical sense of the word. What I believe they are referring to is the carry forward of TANF since 1996. The carry forward peaked at \$137 million in 1999 and has fluctuated downward since then. When Congress agreed to the block grant concept, it was on the condition that the states ask for no additional money. So the only way a state could guard against future uncertainties, was to not spend all of their yearly block grant and carry forward

money into the next year. We will work with the House and Senate appropriations committees on the FY'05 budget.

6. **Approximately two years ago, the law was changed to require that each adult in the Work First program has to engage in employment, Work First activities, education or training, community service activities, or self-improvement activities as determined by the Family Independence Agency, up to 40 hours a week.**

**Would you lobby to change the work requirements as defined by law? If so, How?**

These changes have, by and large, simplified the administration of the program. However, they have not resulted in higher rates of either participation in or compliance with work-related activity requirements. I believe that we need to re-examine, not only the changes that were passed in 2001, but all of the work requirements in PA 280. The reauthorization of TANF will require that we substantially increase families' rates of participation in work related requirements as defined in the reauthorization bill. Failure to do so will put at risk substantial portions of the TANF block grant. The FIA staff has been working with other stakeholders to examine ways to maximize the work participation of FIP families.

To maximize federal funding to support families and minimize the risk of penalties to the state, I recommend we align state law and policy with final federal requirements. Once we have met the federal requirements and secured our funding, we can look at the flexible options available to us. A decision on lobbying for change requires further study but will be based on the concepts presented above.

7. **Since 1995, the former Department of Career Development and the Family Independence Agency have helped more than 380,000 public assistance clients obtain employment. Under welfare reform, each Family Independence Program recipient, unless exempt by law, is required to participate and meet the requirements of the Michigan Work Works! Agency employment and training programs.**

**Do you agree with the work requirement as outlined in the Family Independence Agency policy manual by the former administration? If not, what modifications to the policy would you support?**

I believe it is fundamental for all citizens to be enabled to engage productively in society. It is my hope that we can provide job opportunities and the necessary support structure in our society so that all of our citizens can contribute. For cash assistance families, it is tremendously desirable to establish a routine and model of

employment for the children, providing affordable and quality child care, and supports to deal with the transition from welfare to work. I support work requirements for public assistance recipients as an expectation for most adults in our society. There may be some beneficial modifications to the current policy. For example, I do believe we need to look further at the needs of the population that have not been successful under the current Work First model and determine how we can best engage and serve them to also increase their household financial resources. This is an area that I will further assess to determine if modifications would be beneficial.

8. **One of the keys for moving recipients from public assistance into employment is to identify their barriers. Unfortunately, a major barrier to gainful employment is substance abuse. In 1999, the law was changed to permit the FIA to require drug testing as a condition for FIA assistance.**

**Shortly after enactment, the constitutionality of this change was challenged and in 2000 a preliminary injunction was issued halting the initial pilot. Last month a settlement was reached in this case that would only allow FIA to conduct a pilot project to test welfare recipients for substance abuse under very limited circumstances.**

**How and when are you going to implement this project? Would you support implementing this program on a statewide basis? If not, why not?**

The recent settlement reached with the ACLU allows FIA to implement a pilot program for drug testing of FIP applicants and recipients. The ACLU objection was that testing, without any "probable cause" to suspect drug abuse, amounted to an illegal search of the recipient. The settlement reached limited such testing to those applicants/recipients who demonstrated certain characteristics or behaviors that are associated with drug abuse and scored high on a screening tool designed to identify potential substance abuse. Draft policy for this pilot has been written, but implementation, even on a pilot basis, is not feasible given current and projected resources for FY04 and FY05. A decision on any statewide implementation is premature. The purpose of piloting is to evaluate the effectiveness of the approach and to weigh the cost/benefits to determine the feasibility for statewide implementation.

9. **Last year, the Family Independence Agency discussed the Legislature different food assistance program payment accuracy activities to achieve improved performance regarding food assistance program error rate.**

**Will you continue the initiatives developed by your predecessor to reduce the error rate? If so which aspects? If not, why?**

**What programs would you develop to improve the quality control of the food assistance program in order to reduce the error rate?**



FAP accuracy and avoidance of additional dollar sanctions is a top priority for FIA and for me. Therefore, one of the first steps I took was to familiarize myself with the issue and with a consolidated corrective action plan designed to address the problem. This plan includes initiatives identified and begun by FIA and the Department of Information and Technology. These initiatives are essentially those that were discussed with the Legislature last year. In addition and in order to make sure that all the bases were covered, the plan also now includes best practices from high performing states and recommendations provided by a consultant with expertise in this area. Before approving implementation, I wanted assurance that the plan had the blessing and concurrence of Food and Nutrition Services and included the components that they agree are critical to success. We did receive that assurance in a meeting with FNS last month.

The FAP payment accuracy plan contains both short term and long term solutions. I have approved implementation of the short-term initiatives that are directed at performance in FY2004. They include the implementation of a "state of the art" 2<sup>nd</sup> party review process; policy simplification in the area of income budgeting; development of automated solutions to tape match errors; large county focus for accuracy staff and the development of performance objectives relative to FAP accuracy for workers, supervisors and directors. We believe that these initiatives will have the desired impact on FY2004 performance. Currently, we have data only for the first month fiscal year 2004. The error rate for October was 5.43%. We will be monitoring this information to determine if this does represent a sustained trend. The 5.43% rate compares to our monthly average of 11.01% for last year. However, we also recognize that in order to sustain acceptable performance beyond 2004, implementation of long term solutions is essential.

The FAP caseload has increased 54% since December of 2000. The average caseload of our FIS and ES workers has grown from 185 cases in 1997 to over 300 currently. Additional staff is not an option. Workload reduction must therefore be realized through streamlining policy and through automation. Any long-term solution must include the development of an integrated eligibility system, not just for FAP but for MA, FIP and all of the other programs we administer. I have requested an in-depth review of the options available and expect to be able to make recommendations on the preferred solution with the next 90 days. I am also looking at organizational changes and program redesigns to better support accuracy initiatives. Further, it is essential that we lobby for policy simplification at the federal level. Food Stamp regulations are universally pointed to by the states as complex and confusing, and a barrier to effective implementation and program participation.

- 10. In 1994, the federal government amended the Social Security Act (SSA) which authorized the U.S. Department of Health and Human Services to review state**

**Child and Family Service programs to ensure conformance with the requirements in Title IV-B and Title IV-E of the SSA.**

**What steps would you take to ensure penalties are not levied against Michigan during the continued Title IV-E Foster Care Eligibility Reviews scheduled for Fiscal Year 2004?**

**Will you continue the changes initiated by your predecessor to rectify the problems highlighted by the federal government in 2003? If not, why?**

The federal title IV-E foster care eligibility review is a collaborative effort between the state and the federal government to determine whether federal funds were appropriately claimed for eligible children and providers and to evaluate the state's compliance with federal requirements. Michigan's review is scheduled to occur the week of March 22, 2004. The preparation for this review began in 2000, when a workgroup was formed to develop a Title IV-E workplan. The members of this workgroup included FIA staff, judges, court administrators and the State Court Administrative Office (SCAO). The steps we have taken and will continue to take to assure we comply are:

- Juvenile Justice training on title IV-E eligibility requirements with SCAO
- Released information to public and private agencies on which residential programs were title IV-E eligible
- Clarified FIA title IV-E policy
- Developed a title IV-E electronic case reading form for supervisors in the field
- Provided statewide training in title IV-E (Over 700 individuals participated)
- Collaborated with SCAO on the development and distribution of a check sheet specific to title IV-E eligibility to the courts and FIA.
- Targeted case readings were mandated in 2003 for all counties to verify title IV-E eligibility requirements
- Established a workgroup in 2003 through SCAO to address problem court orders
- Offered additional training in 2003 for FIA staff and court personnel

Even with this level of preparation, however, there are many challenges to overcome at both the state and federal levels. Various regional offices interpret the requirements differently within and across states. While we are doing everything we can to pass the audit, I will pursue opportunities to work with other states to make sure the regulations are applied uniformly and less onerously. There are a variety of issues we confront at both the federal and state levels that directly impact our state's compliance with IV-E requirements. All state partners must be clear in their role to maximize this federal funding source for Michigan's children.

If the review findings indicate that the total number of ineligible cases is nine or more, the state must develop a program improvement plan (PIP). The PIP must be developed by state staff in consultation with federal staff and identify the areas where

the State's program is not in substantial compliance. The PIP may not extend beyond one year.

11. **At this time, the federal government is conducting Child and Family Service Reviews in Michigan which are designed to support a stronger federal-state partnership in improving the outcomes of services to children and families.**

**What steps would you take to ensure penalties are not levied against Michigan during the continued Child and Family Service reviews?**

**Will you continue the changes initiated by your predecessor to rectify the problems highlighted by the federal government in 2003? If not, why?**

The federal Child and Family Services Review (CFSR) was designed to improve outcomes for children and families. Michigan actually fared well in this assessment. The focus of this review was on developing a partnership between the federal government and the state to improve child welfare services; not to pass or fail, but to promote improvements.

The agency is currently working with the Administration for Children and Families to develop an approved program improvement plan (PIP) to address areas where we were found to be in nonconformity. The completion and implementation of the PIP is an important initiative of the Department. The PIP is a multi-agency/multi systems plan to improve child welfare and not the sole responsibility of FIA. To that end I will ask my fellow cabinet members to identify staff from their respective agencies to work with FIA in the implementation of the PIP to insure that Michigan meets established performance outcomes. Our collaboration with Lansing Community College on dental screening and hygiene for foster children, is an excellent example of how the community needs to be part of the solution to improved outcomes for children.

Michigan has long been recognized as a national leader in child welfare services through innovative initiatives that support children and families such as Families First, Family to Family, Family Group Decision Making and Family Reunification Services. These initiatives complement the practice principles that the CFSR promotes such as family centered practice, community based services, strengthening parental capacity to protect and to provide for their children and individualizing services that respond to the unique needs of children.

I believe we must continue to focus on strengthening families to help children grow and develop in a healthy and nurturing environment. Michigan's ability to meet the needs of children and families through services must reflect the basic premises that safety, permanency and child well being are the major concerns of child welfare.

- 12. Over the past several months, President Bush has worked with various interest groups to encourage marriage and promote the well being of children. The President has proposed a healthy marriage initiative to help couples develop the skills and knowledge to form and sustain healthy marriages. The proposal also includes funding of \$1.5 billion.**

**Research has shown that, on average, children reared in households headed by married parents fare better than children who grow up in other family structures. Through education and counseling programs, faith-based, community, and government organizations promote healthy marriages and a better quality of life for children.**

**By supporting responsible child-rearing and strong families, the federal government is seeking to ensure that every child can grow up in a safe and loving home.**

**Would you support a similar initiative in the State of Michigan? If the proposal is adopted at the federal level, what will you do to ensure that Michigan gets its share of the \$1.5 billion?**

I certainly support initiatives to strengthen Michigan families and am absolutely committed to doing whatever we can to help all Michigan children grow up in a safe and loving home. I also agree that children brought up in a two parent, married household have a foundation that is more likely to help children succeed in life. The FIA is already providing funding for some programs that provide supportive services to create effective families. I support these initiatives and am looking forward to evaluating these programs as they progress. If federal money does become available, I believe that the efforts we are already funding can become a significant demonstration model to help us secure additional federal funding. I would work hard with my legislative colleagues, our Congressional delegation, the faith community and those program leaders who deliver these services to advocate for enhanced funding in Michigan for these efforts.

- 13. Faith based organizations have tirelessly served communities across the state. Many of the services provided by faith based organizations, on behalf of state and local governments, have enabled public funds to be stretched even further to fulfill a common mission.**

**Would you support the creation of an Office of Faith Based Initiative in the state of Michigan? If not, why?**

**Although the government cannot be replaced by faith organizations, would you encourage stronger partnerships with faith based and other charitable service organizations?**

In January of 2003, Governor Granholm created an Office of Community and Faith-Based Initiatives. This office is housed in the Governor's office to underline the importance of the faith community. The office acts as the single liaison and central point of contact for community and faith based leaders/organizations seeking to work with the state. I support the establishment of this office and have already met with Greg Roberts, the Director of the Office. There are already a number of initiatives within the FIA that are being supported by Greg's office.

I support strong partnerships with faith based and charitable service organizations. It is essential that the FIA collaborate with communities in the broadest sense of that term to help to carry out our important mission. Faith based and other charitable service organizations have an essential role to play in this mission and are critical partners to the FIA.